



Statement on behalf of the Member States of the European Union

By

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Madam Chair,

I have the honour to speak on behalf of the Member States of the European Union.

The Candidate Countries Turkey, the former Yugoslav Republic of Macedonia*, Montenegro*, Serbia* and Albania*, the country of the Stabilisation and Association Process and potential candidate Bosnia and Herzegovina, as well as Ukraine, the Republic of Moldova, Armenia, and Georgia, align themselves with this statement.

At the outset we would like to thank Ms. Bettina Tucci Bartsiotas, Assistant Secretary General, Controller, for introducing report A/71/698 on managing after-service health-insurance, as well as Mr. Babou Séné, Vice Chair of ACABQ, for introducing the committee's related report. Thanks also to Ms. Sapputelli, FAFICS President for her remarks.

Last year the General Assembly discussed 8 specific recommendations prepared by the Secretary-General on after-service health insurance. In its resolution A/70/248B, the General Assembly took note of the report of the Secretary General and endorsed the recommendations made by ACABQ. This included the recommendation on the management of health insurance liabilities, where the Assembly decided that the existing pay-as-you-go approach is a viable option. Furthermore, the Assembly was of the view that the rationale for setting aside budgetary resources meant for current activities to provide for expected future liabilities, had not been sufficiently justified by the Secretary-General. In this regard, the Committee reiterated its recommendation to continue with the pay-as-you-go approach at the present time, as endorsed by the General Assembly in its resolution 68/244, and then again in GA RES 70/248B.

The Member States of the European Union agree with the respective recommendation of the ACABQ in its current report; at this stage we see no clear argument and no added value that would justify modifying the current stance. We

* *The former Yugoslav Republic of Macedonia, Montenegro, Serbia and Albania continue to be part of the Stabilisation and Association Process.*

welcome most of the new and innovative approaches developed in the report of the Secretary-General as far as they are also recommended by ACABQ. These include collective negotiations with 3rd party administrators, with health-care providers and with insurers; further harmonizing the principles guiding liability valuation and continuing to promote inter-agency collaboration with respect to the investment of funds earmarked for the coverage of after-service health insurance liabilities

We would welcome proposals for further measures to reduce costs in relation to health insurance plans. In this regard, funding options must be accompanied by concrete proposals for cost containment and possible reduction of the total amount of ASHI liabilities. All options must include present and future ASHI beneficiaries.

We would like to recall that the General Assembly's clear guidance has been to formulate future recommendations clearly in the context of the current funding approach, and it is our understanding that, at this stage, this is the focus the Secretariat should maintain.

I thank you Madam Chair.